

PRESS RELEASE

DIGITAL360:

Completed the acquisition of the majority of the shares of Imageware Group and of the company ICT LAB

The Board of Directors of DIGITAL360 S.p.A. partially exercises the proxy to increase the share capital up to Euro 726,995.60

Milan, 14 October 2021 - DIGITAL360 S.p.A. ("**DIGITAL360**" or the "**Company**"), an innovative SME listed on the AIM Italia market of Borsa Italiana, announces **today** the transaction for the acquisition of a 51% stake in Imageware S.r.l. and Hi-Comm S.r.l. (jointly defined "**Imageware Group**") as well as 25.5% of ICT LAB PA S.r.l. ("**ICT LAB**"). The two transactions were announced to the market with two press releases published on 17 and 21 September 2021, respectively, to which reference should be made for further details.

As already anticipated to the market, Imageware Group is one of the most prestigious and competent PR, marketing and communication agencies in the Italian panorama. It operates in three main areas of activity: (i) Public Relations and Social Media; (ii) implementation of creativity and communication projects; (iii) organization of physical and digital events. The Group, characterized by a strong specialization in the Information & Communication Technology market, boasts important clients from different sectors, both private companies and organizations and institutions.

The purpose of the acquisition is threefold: to expand the client portfolio, exploit significant operational and strategic synergies in communication activities and broaden the portfolio of services, adding in particular Public Relations activities, which are highly synergic with all the others.

The Imageware Group achieved aggregate revenues of over €8 million in 2019, which declined to approximately €6 million during 2020. The decrease results from the lack of organized events during the pandemic. Nevertheless, the reduction in revenue volumes did not lead to a decline in margins, with EBITDA increasing from approximately 0.5 million in 2019 to over 0.6 million in 2020.

ICT LAB is based in Rome and offers consultancy services aimed at accompanying the innovation paths of Public Administrations (PA). The acquisition expands the market potential in the public



sector, which - also considering the PNRR and the massive investments expected in the next few years for the digital transformation of the Italian public administration - has enormous potential for growth and development.

ICT LAB, whose turnover is often derived from multi-year contracts, achieved in 2020 revenues of 1.4 million euros, with an EBITDA of about 20%.

As noted in the respective acquisition agreements, as part of the two transactions, in order to proceed with payment in shares, the Board of Directors, meeting today, resolved to partially execute the mandate to increase the share capital, granted to it by the Extraordinary Shareholders' Meeting held on 23 January 2020, pursuant to Article 2443 of the Italian Civil Code, and consequently resolved to amend Article 6 ("Capital and Shares") of the Articles of Association.

In particular, the Board of Directors resolved:

- (i) In order to execute the acquisition of the Imageware Group, to increase the share capital for cash on a divisible basis, by an amount inclusive of share premium equal to €399,996.00, through the issue of 97,560 ordinary shares, with no indication of nominal value, having the same characteristics as the ordinary shares in circulation at the issue date, excluding option rights pursuant to Art. 2441, paragraph 5, of the Civil Code, at an issue price of Euro 4.10 per share, of which Euro 0.10 to be allocated to capital and Euro 4.00 as a share premium, and reserved for subscription to Maria Grazia Bruschi and Marco Franceschi, as sellers of a stake representing 51% of the share capital of Imageware S.r.l. and Hi-Comm S.r.l. ("**Imageware Capital Increase**");
- (ii) In order to execute the acquisition of ICT LAB, to increase the share capital for cash on a divisible basis, for an amount inclusive of share premium equal to Euro 326,999.60, through the issue of no. 79,756 ordinary shares, with no indication of nominal value, having the same characteristics of the ordinary shares in circulation at the issue date, with the exclusion of preemptive rights pursuant to art. 2441, paragraph 4, of the Italian Civil Code, at an issue price of Euro 4.10 per share, of which Euro 0.10 to be attributed to capital and Euro 4.00 as a share premium, and reserved for one of the selling shareholders, namely G.M.S. 83 - General Management Services S.r.l. ("GMS") and G.M.S. 83 - General Management Services S.r.l. ("GMS"). ("**GMS**") and to be paid through the contribution of the 10% of ICT LAB share capital held by GMS ("**ICT Lab Capital Increase**").



Also today, the deed of contribution of the 10% of ICT LAB's share capital held by GMS to release the ICT Lab Capital Increase was signed.

It should be noted that the effectiveness of the ICT Lab Capital Increase resolution and, consequently, of the contribution of the 10% of ICT LAB's share capital held by GMS, is subject to the passing of 30 days from the registration of the resolution without the shareholders representing at least 5% of the share capital exercising their right under Article 2443, paragraph 4, of the Italian Civil Code.

Following the effectiveness of the contribution, the Company shall register with the competent Register of Enterprises the certificate of execution of the ICT Lab Capital Increase pursuant to article 2444 of the Italian Civil Code and the declaration pursuant to article 2343-quater of the Italian Civil Code, as well as the communications to Borsa Italiana S.p.A. about the issue of the No. 79,756 shares deriving from the above mentioned ICT Lab Capital Increase, which will be issued in dematerialized form, as well as communications to Borsa Italiana S.p.A. regarding the issue of the 79,756 shares resulting from the aforementioned ICT Lab Capital Increase, which will be issued in dematerialized form and admitted to the centralized management system at Monte Titoli S.p.A..

On the other hand, the 97,560 shares resulting from the Imageware Capital Increase will be issued upon registration of the capital increase resolution with the Register of Enterprises.

For both transactions, the issue price was established by taking as a reference the average price of DIGITAL360 shares on the AIM Italia market during the 3 months prior to closing, as defined in the agreements signed with the Sellers.

The shares subscribed by Maria Grazia Bruschi, Marco Franceschi and GMS, will be subject to a lock-up period that will end on the 30th working day following the date of approval by the companies subject to acquisition of their financial statements for the year ended 31 December 2023.

By virtue of the foregoing, the Company's share capital, following the effectiveness of the aforementioned transactions, will amount to €1,868,346.40, divided into 18,683,464 shares.

Upon the filing of the certificate pursuant to Article 2444 of the Italian Civil Code, the Company will communicate, pursuant to Article 25 of the AIM Italia Issuers' Regulations, the new composition of the Issuer's share capital. The Company will notify, pursuant to Article 25 of the AIM Italia Issuers' Regulations, the new composition of the Issuer's share capital.



The capital increase is functional to DIGITAL360's strategy of growth by external lines, as it is part of the operations mentioned above.

For more information, please refer to the press releases dated September 17 and 21, 2021, which are available on the Company's *website* at www.digital360.it, *Investor Relations* section.

This press release is available on the Company's website at www.digital360.it.

DIGITAL360

DIGITAL360, a company listed on the AIM Market of the Italian Stock Exchange, has the objective of accompanying companies and public administrations in the understanding and implementation of digital transformation and favoring their encounter with the best technological suppliers. DIGITAL360 pursues this objective through two business units: one, called "Demand Generation" supports technology companies (vendors, software houses, system integrators, startups, etc.) in communication, storytelling, event management, and generating business opportunities. The other, called "Advisory & Coaching" is aimed at all companies and public administrations that want to undertake any kind of digital transformation. NetworkDIGITAL360, transversal to both Business Units, is the largest network of online publications dedicated to all topics of Digital Innovation. DIGITAL360 integrates a multidisciplinary and multicultural mix of professionalism and skills thanks to analysts, journalists, consultants and experts in the digital world, united by a great passion and mission: digital innovation as an engine for the growth and modernization of our country. For further information: www.digital360.it

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